number of AT&T orders were rejected for errors because BellSouth had not provided AT&T with the business rules necessary to avoid such errors. See ¶¶ 166-196, supra. CLEC orders may also fall out because BellSouth has programmed its systems to cause certain types of CLEC orders (such as split accounts) to be subjected to manual review. See Ameritech Michigan Order, ¶¶ 175-176. If such is the case, it is not a problem caused by CLECs. In any event, Mr. Stacy's characterization of the errors as "CLEC caused" is inconsistent with his assertion that the reduction of these errors in August is due to BellSouth's actions in "fix[ing]" the "internally caused error conditions." Stacy OSS Aff., ¶ 113 (emphasis added). Mr. Stacy's rationalizations cannot change the fact that -- by his own admission -- less than 40 percent of the total orders submitted via BellSouth's interfaces flow through to its legacy systems.

237. **Installation Intervals and Due Dates Met.** Disregarding the Commission's determination that data on average installation intervals is "critical" and "fundamental" to any showing of nondiscriminatory performance for CLECs (see Ameritech Michigan Order, ¶¶ 164-171), BellSouth has not submitted such data with its application for Louisiana. In his reply affidavit on performance measures for South Carolina, however, Mr. Stacy purports to submit some data on the average interval from the "issue date" to the completion date for several categories of orders.[137] That data shows that BellSouth's resale provisioning performance for CLEC customers in October 1997 was substantially worse than its

[137] See Stacy S.C. Reply Affidavit on Performance Measures, filed November 14, 1997, in CC Docket No. 97-121, ¶ 10 & Ex. WNS-2.

performance for its own retail customers for all of the principal order categories -- namely, both residential and business non-dispatch "C" and "N" orders.

238. In addition, the numbers reported by BellSouth in that exhibit bear no resemblance at all to AT&T's experience with BellSouth's provisioning performance. AT&T's data shows that, notwithstanding the fact that AT&T in October 1997 was requesting multi-day provisioning intervals for simple consumer migration orders, BellSouth was missing the due dates requested by AT&T for such orders by an average of more than a day.[138] The substantial discrepancies between AT&T's data and Mr. Stacy's call into serious question the reliability of his overall interval data.[139]

239. Further, AT&T's experience from July through October has been that BellSouth missed the due date requested by AT&T on consumer migration orders nearly one quarter of the time, and that where BellSouth missed the AT&T requested due date, it provisioned the order more than five days late almost 20 percent of the time.[140] Similarly,

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[138] See charts attached hereto as Attachment 66 ("Average Provisioning Interval -- Consumer Migration Orders"). BellSouth missed these requested dates despite its commitment to complete migration orders it received by 3 p.m. on the same day, and migration orders it received after 3 p.m. on the following day. Thus, no consumer migration order should take BellSouth more than 24 hours to complete. In light of the substantial lead time that AT&T is providing (as a conservative measure), BellSouth should never be missing an AT&T-requested due date.

[139] The discrepancies are, if anything, understated, because AT&T's data does not include data regarding orders that were rejected by BellSouth.

[140] Id. (charts entitled "AT&T Requested Due Dates Met -- Consumer Migrations," and "AT&T Orders by Requested Due Dates -- Consumer Migrations").

AT&T's data on consumer migrations also shows that BellSouth missed its own committed due date over 17 percent of the time, and that more than 17 percent of the orders missing the committed due date were provisioned over five days late.[141] As this data shows, AT&T's experience with BellSouth's provisioning of AT&T orders has been highly unsatisfactory.

240. **Manual Processing of CLEC Orders by BellSouth's Local Carrier Service Center.** The above-described data appears to be only part of the story of BellSouth's inadequate performance, particularly with respect to its manual processing of CLEC orders. In discovery responses that it submitted in Florida, BellSouth stated that between January 1 and July 31, 1997, it received a total of 130,023 resale orders, of which 118,952 were "processed to completion."[142] If, as BellSouth stated in other discovery responses in the same proceeding, only slightly more than 6,500 orders were sent via LENS and EDI through August 18, this means that more than 100,000 resale orders were submitted by facsimile, and manually processed by BellSouth's Local Carrier Service Center, during this period. That volume represents more than 95 percent of all resale orders submitted and processed. BellSouth itself has conceded that "most

[141] Id. (charts entitled "BellSouth's Committed Due Dates Met -- Consumer Migrations," and "Orders Not Completed By BellSouth's Committed Due Date -- Consumer Migrations").

[142] See Attachment 26, BellSouth's Response To AT&T's First Request For Production of Documents in Docket No. 960786-TL, Response To Items 8(d) and 8(e); id., BellSouth's Response To AT&T's Second Set of Interrogatories in Docket No. 960786-TL (Fla. PSC), response to Item No. 38.

orders to date have been received in a manual fashion."[143]

241. In previous state § 271 proceedings, BellSouth has suggested that the high number of manually submitted orders is due to the "choice" of CLECs to send them by facsimile, rather than by BellSouth's interfaces. I cannot agree. Although I (like BellSouth) have no access to the internal decision-making processes of other CLECs, it seems unlikely that CLECs simply "chose" to send more than 100,000 orders by facsimile, rather than through electronic interfaces. Even if such were the case, the submission by facsimile suggests that the CLECs were unable to use the BellSouth interfaces because of problems attributable to BellSouth, such as lack of access, inadequate performance, lack of training, or lack of knowledge of specifications and business rules.

242. The high volume of orders manually submitted to, and processed by, BellSouth's LCSC is particularly troubling because, as BellSouth's own third-party consultant has found, BellSouth has failed to provide adequate training to the LCSC personnel who are responsible for handling and processing such orders.[144] Proper training of LCSC personnel is essential for timely, efficient, and reliable processing of CLEC orders, particularly because it

[143] See Attachment 26, BellSouth's Responses To AT&T's First Set of Interrogatories in Docket No. 960786-TL (Fla. PSC), response to Item No. 29.

[144] Mr. Scheye has previously described the LCSC as "the interface with the [CLECs] for orders," and "sort of the people behind the [operations support] systems." Transcript of hearing held September 2, 1997, in Docket No. 960786-TL (Fla. PSC), p. 676 ("Florida Section 271 transcript") (Attachment 43 hereto).

appears that most of the orders from CLECs are received manually by the LCSC -- and therefore must be re-entered by LCSC personnel into BellSouth's OSS.[145] In these circumstances, inadequate training at LCSC is likely to result in substantial errors and delays in provisioning CLEC orders.

243. A study conducted of LCSC's two offices in Atlanta and Birmingham in 1997 by an outside consulting firm retained by BellSouth, DeWolff, Boberg and Associates ("DeWolff"), confirms that LCSC personnel have not been adequately trained.[146] In its first report, prepared in March 1997, DeWolff found serious deficiencies in LCSC's performance. Among other things, DeWolff found that: (1) LCSC supervisors were inadequately trained and gave inadequate, passive supervision to their subordinates; (2) employees were "not effectively trained to maximize their skills," a situation that was "especially acute" as LCSC began to ramp up operations; (3) DeWolff had "repeatedly" observed "employee skills deficiency and errors which is negatively impacting both productivity and quality," the level of which "is unnecessarily

[145] See BellSouth's Response to AT&T's First Set of Interrogatories, filed August 11, 1997, in Docket No. 960-786-TL (Fla. PSC), response to Item No. 29 ("most orders [from CLECs] to date have been received in a manual fashion") (Attachment 26 hereto).

[146] The Interconnection Agreement requires BellSouth to provide AT&T with the capability of having its orders input to, and accepted by, BellSouth outside of normal business hours, 24 hours a day, 7 days a week. That capability is to be provided by LCSC, to the extent necessary, until electronic interfaces are fully available. See Interconnection Agreement, §§ 28.6.10.0 - 28.6.10.3. However, Mr. Stacy indicates that LCSC is not open on a 24-hour-a-day, 7-day-a-week basis. Stacy OSS Aff., ¶ 134 (stating that LCSC "can expand its service representatives' work hours to twelve hours for six days a week") and Exh. WNS-47 (basing LCSC capacity on a 7.5-hour day).

low"; (4) more than half of the LCSC employees were not qualified, or only marginally qualified, to perform their functions; (5) the low level of quality was inflating LCSC's operating costs, and contributing to delays in customer service; (6) excessive errors and rework were lowering the quality of LCSC's service, due to missed dates and excessive lead times; and (7) LCSC lacked adequate documentation of its processes so that it could be used as a training tool.[147]

244. A subsequent report issued on July 8, 1997 by DeWolff found that LCSC was still experiencing serious operational deficiencies. The report found, for example, that the LCSC was rejecting almost 65 percent of the local service requests submitted by AT&T and MCI and returning them to these carriers for "clarification." The rejected requests were returned to these carriers an average of 1.7 times -- meaning that, on average, local service requests were being returned almost twice to the two CLECs before the order was finally processed. DeWolff found that this amount of time to process an order, including "clarification," was more than twice what it should take without the rework. Although the report suggested that at least some of the problem was due to errors by these CLECs, it noted that no process existed "to provide feedback

[147] See Attachment 44, letter dated from Paul J. Buchert and James LaRue (DeWolff) to Edward A English, dated March 13, 1997 ("DeWolff March 13 report"). DeWolff also found that as a result of these problems, LCSC service representatives were either not working or not in their work area nearly 40 percent of the time. A copy of the March 1997 report of DeWolff, along with copies of the reports issued by DeWolff on May 9, July 8, and August 15, 1997, are attached to my testimony as Attachment 44. It appears that the DeWolff study was limited to the LCSC's handling of resale requests. Mr. Scheye has previously admitted that, to the best of his knowledge, no study or test has been conducted of the LCSC's performance in regard to unbundled network elements. See Attachment 43, Florida Section 271 transcript (September 3, 1997 hearing), pp. 1021-1022.

to the CLECs about their level of incomplete/incorrect orders."[148]

245. Although BellSouth has claimed that the problems found in the March and July reports of DeWolff have been corrected,[149] an August 15, 1997, follow-up report by DeWolff indicates that training problems still exist at LCSC. The report states that DeWolff is "developing a new training organization [for LCSC] that is responsible for the employee's continuing development process," and that a training manual containing the processing work instructions and process flows had only recently been completed. The "continuous development process," which is intended to evaluate the quality and efficiency of LCSC service representatives, was "still in process."[150] Although these statements leave no doubt that additional training of LCSC personnel is needed, the report also states that training time for personnel handling single line resale would be reduced from six weeks to two weeks -- with an additional three days of training for those "who do not pass the work simulation." Even less training would be provided to part-time personnel who make up part of the LCSC work force.[151]

246. These DeWolff reports show that the training of the personnel at LCSC --

[148] July 8, 1997, DeWolff Report, p. 2-3 (Attachment 44 hereto).

[149] See Stacy OSS Aff., ¶ 70 (stating that LCSC has made "some procedural improvements to likewise ensure they handle orders promptly").

[150] Memorandum from James LaRue (DeWolff) to Krista Tillman (BellSouth), entitled "Executive Update -- Phase III -- Adjust and Follow Up," dated August 15, 1997 ("DeWolff August 15 report"), pp. 3-5 (Attachment 44 hereto).

[151] DeWolff August 15 report, p. 9 (Attachment 44 hereto).

the entity that processes CLEC orders -- has been inadequate. LCSC has only recently begun to take some of the steps that are necessary for proper training and proper performance of its duties. Any gains that might be realized in training from these steps are likely to be offset by other actions recently taken by LCSC, including the reduction in training time and the employment of part-time personnel with cursory training. The inadequate training that BellSouth has given to LCSC personnel is likely to simply increase the delays and errors that occur as part of manual processing.

247. Mr. Stacy does not dispute the detailed findings and conclusions set forth in the March 13, May 9, July 8, and August 15, 1997 DeWolff reports. Instead, he simply attempts to brush them aside as "outdated" and claims that "new audit information . . . shows that the LCSCs are operationally ready." Stacy S.C. Reply Aff., ¶ 67 & Exh. WNS-5. But Exhibit WNS-5, upon which Mr. Stacy relies, is merely a one-page letter from DeWolff that contains no new data or findings. To the contrary, DeWolff specifically notes that it "concluded the [LCSC] project on August 15, 1997" -- the same day it issued its last report documenting the ongoing problems at the LCSC. See Attachment 44. The September 15 letter in no way contradicts the detailed documentation in the four DeWolff reports of serious deficiencies in the LCSC.[152]

[152] Moreover, notwithstanding Mr. Stacy's assertions that the problems at the LCSC described in the DeWolff reports have been eliminated, AT&T's experience indicates that those problems still exist. On September 26, after the parties discovered that the LEO Guide contained the wrong USOC for ordering Caller ID Blocking (¶ 189, supra), BellSouth agreed that AT&T could continue to send orders using that USOC, and that LCSC personnel would then correct the orders. However, when AT&T sent orders with this USOC on September 29, all of the orders

248. In short, BellSouth's own data indicate that: (1) most of the resale orders transmitted to BellSouth have been both submitted and processed manually; and (2) more than two-thirds of the orders submitted through the LENS and EDI interfaces have fallen out of the system for manual processing.

C. Billing

249. In its SGAT and its interconnection agreement with AT&T, BellSouth has committed to provide the CABS-formatted billing that AT&T desires.[153] Nevertheless, BellSouth has yet to demonstrate that it can provide AT&T with parity of access to customer usage data or wholesale billing information.

250. Contrary to the assertions of Mr. Stacy and Mr. Hollett, BellSouth has not

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were rejected, and a rejection notice was simply transmitted back to AT&T. When the AT&T work center called the Atlanta LCSC (which is responsible for AT&T's orders), no one answered; the call was transferred to the Birmingham office of the LCSC, which informed AT&T that it could not access the orders and, in any event, had received no instructions regarding the issue. The Birmingham LCSC office suggested that AT&T call the Atlanta LCSC, but was unable to tell AT&T when that office would be available. When AT&T finally was able to reach the Atlanta office of the LCSC on Tuesday, September 30, that office said that it had not been advised of the agreed-upon procedure. AT&T then escalated the issue to the BellSouth Account Team, which acknowledged that the information had not been transmitted to either office of the LCSC.

[153] The SGAT states that BellSouth will provide billing for interconnection services through the Carrier Access Billing System ("CABS"), and CABS-formatted billing for UNEs and resold services. SGAT, pp. 5, 7, 23. The Interconnection Agreement between AT&T and BellSouth provides that, within 180 days of its effective date, BellSouth must provide all bills to AT&T using only CABS or the CABS format. However, as an "interim" measure, BellSouth is providing AT&T with bills in the Customer Records Information System ("CRIS")/CLUB format for resale services, unbundled ports, and loop/port combinations. Interconnection Agreement, Att. 6, § 2.1; see also Hollett Aff., ¶ 7.

provided nondiscriminatory access to usage data.[154] Until recently, the recorded usage data provided by BellSouth contained repeated and substantial errors, including coding errors and failure to provide messages in the proper rated or unrated format. For months, BellSouth promised to correct many of these errors, but the problems remained unresolved. It has only been in the past two months that BellSouth has implemented a series of fixes for most of these problems. Although many of the problems have been corrected, certain problems have not yet been resolved (such as rating ISP calls). In the case of usage data regarding information service providers, BellSouth still is not providing this information, even though it committed to do so in mid-1996 and it is required to do so under the Interconnection Agreement.[155] BellSouth's failure to provide this information makes it impossible to bill the call. Mr. Hollett's promises to implement additional controls and preventive measures in the transmission of usage data is simply

[154] See Stacy OSS Aff., ¶¶ 101, 103, 107; Hollett Aff., ¶¶ 11-14. The SGAT states that BellSouth will supply customer daily usage data that "provides detailed information for determining billable usage for services such as directory assistance or toll calls associated with a resold line or a ported telephone number." Id., p. 7. Although the SGAT does not reference BellSouth's Ordering Guides, both of the Ordering Guides address customer usage data, but only as an "optional Billable Daily Usage File." See, e.g., Resale Ordering Guidelines, Tab 20. With respect to customer usage data, the Interconnection Agreement requires BellSouth to provide AT&T with customer usage data in a standard format via a batch file transfer. Interconnection Agreement, § 28.8 & Att. 7.

[155] See letter from Pamela Nelson (AT&T) to Jan Burriss (BellSouth), dated September 30, 1997 (Attachment 47 hereto). BellSouth has failed to furnish this data despite the provisions of the Interconnection Agreement, which expressly require BellSouth to provide it. See Interconnection Agreement, Att. 7, § 3.1 (requiring BellSouth to provide rated calls to information reached via BellSouth facilities).

another indication of BellSouth's deficient performance in this area. Hollett Aff., ¶¶ 12, 14.[156]

251. In addition, BellSouth currently cannot transmit to CLECs all of the usage data that it records. Although BellSouth records 100 percent of all originating calls made in its central offices, it only provides CLECs with the records of calls which are associated with charges to the end user under BellSouth's tariffs. Without more complete data, new entrants are unable to check the accuracy of a bill, track costs for purposes of creating their own pricing structure, or monitor network usage to create more efficient networks. The lack of access to complete usage data denies parity to CLECs, since BellSouth can readily access all usage data that it records for its retail operations. BellSouth, has not indicated when it will be able to provide complete usage data.

252. Furthermore, despite the requirements of the SGAT and the Interconnection Agreement that BellSouth provide CABS or CABS-formatted bills, BellSouth has not proven that it has the capability to provide accurate bills in this format for resold services and certain network elements. Mr. Hollett acknowledges that resold services and "some" UNEs are currently billed through CRIS, not CABS.[157] Hollett Aff., ¶ 5. Although BellSouth previously advised AT&T

[156] Mr. Stacy's description of the billing daily usage file as an "optional" interface is flatly wrong. See Stacy OSS Aff., ¶ 103. BellSouth must provide nondiscriminatory access to that file, pursuant to its obligation to provide the same access to the billing OSSs that BellSouth makes available to itself -- including the billing daily usage file. Local Competition Order, ¶ 523.

[157] Mr. Hollett's assertion that the OBF "did not purport that CABS was the standard" for resale billing (Hollett Aff., ¶ 8) misses the point that both the SGAT and BellSouth's Interconnection Agreement with AT&T require CABS or CABS-formatted bills. See fn. 153, supra.

that it would send AT&T a test file on July 2, 1997 so that the parties could implement all bills in CABS format no later than August 3, 1997, that did not happen. BellSouth did not send AT&T the test file until July 24, 1997, and that test file proved to have fatal errors. On August 25, 1997, BellSouth sent another test file. Although that file did not contain the fatal errors found in the July file, the billing data that it contained could not be made to balance either internally (summary data was not equal to the sum of the detailed information) or in comparison to the monthly order activity it purported to represent.[158] Although Mr. Hollett suggests that the test file was out of balance by only $1.00, the test file was actually out of balance by more than $1,800 on two billing account numbers -- which was a significant amount, considering the low volume in the testing mode. Hollett Aff., ¶ 7.

253. On September 20, BellSouth sent AT&T yet another test file. This file also was out of balance, this time by more than $2,000 on one account and $3,900 on another account. During a telephone conference on October 13, 1997, BellSouth committed to fix the errors and send another test file. AT&T received the next test file on October 30. That file also was out of balance, by more than $7,500 on one account and $3,000 on another account. Thus, the out-of-balance problems with the CABS-formatted bills are continuing, and the dollar amounts of the errors are increasing. Until BellSouth corrects this problem, the parties cannot complete the

[158] Mr. Hollett's description of this sequence of events is self-serving and incorrect. See Hollett Aff., ¶ 7. Although he suggests that BellSouth supplied a test file in advance of the August 3 contract date, he fails to mention BellSouth's commitment to send AT&T a test file by July 2.

transition to CABS.

254. As Mr. Pfau notes in his affidavit, BellSouth has submitted no data on the timeliness, completeness and accuracy of bills provided to CLECs, as opposed to BellSouth's own billing, even though the Commission has specifically requested such data. Mr. Hollett concedes that in several instances BellSouth has double-billed the accounts of some AT&T customers of resold services in Georgia, continuing to bill customers who had migrated to AT&T after the migration became effective. Hollett Aff., ¶ 15. In one of those instances, the customer was terminated by BellSouth for non-payment. Although Mr. Hollett asserts that BellSouth "will be implementing a process by year end 1997 that will eliminate any potential for double billing," his assertion suggests that the problem has not yet been corrected.[159]

255. Similarly, Mr. Milner concedes that BellSouth's billing systems have experienced problems affecting the accuracy of resold services. The ability to incorporate CLEC-specific discount levels was not incorporated into CRIS until late August in most states in the BellSouth region, and not until September 20 in Florida. Milner Aff., ¶ 117. Discounts were not appropriately applied to non-recurring charges associated with retail services. Id., ¶ 118. Although Mr. Milner asserts that these problems have been overcome (without specifying when that occurred), these problems indicate serious deficiencies in BellSouth's systems -- and the

[159] Hollett Aff., ¶ 15. The Commission has correctly described double-billing as "a serious problem that has a direct impact on customers and, therefore, must be eliminated." Ameritech Michigan Order, ¶ 203.

unreliability of any testing that BellSouth has purportedly performed on them.

D. The Inadequate Testing of BellSouth's Interfaces

256. In view of the numerous respects in which BellSouth's interfaces have failed to provide parity of access under actual commercial operations, the testimony of BellSouth's witnesses Messrs. Stacy, Milner, and Hollett concerning BellSouth's alleged testing is simply immaterial. As the Commission has recognized, where, as here, a CLEC is seeking to use particular interfaces, the proper test of operational readiness is actual commercial usage. Ameritech Michigan Order, ¶¶ 138, 163. Even if testing data were relevant, BellSouth's "testing evidence" simply shows that its testing has been inadequate, incomplete, or nonexistent.

257. Although Mr. Stacy and Mr. Hollett make a series of highly generalized contentions that BellSouth has conducted testing of its interfaces, both internally and with other CLECs, they provide only two documents that arguably are evidence of testing of the interfaces for resellers -- and those documents involve only capacity testing.[160] They provide no other data, results, or documents in support of their numerous claims of internal and external testing.

258. By Mr. Stacy's own admission, much of the testing with CLECs that he cites is "connectivity testing," which is conducted for the limited purpose of ensuring "that the connections between BellSouth and the CLEC are working properly." Stacy OSS Aff., ¶¶ 125,

[160] See Stacy OSS Aff., ¶¶ 118-135 & Exhs. WNS-42 and WNS-45; Hollett Aff., ¶ 19. As discussed below in Part V, even the capacity testing purportedly conducted by BellSouth is not complete.

130. Such tests measure only whether a connection has been established between the two systems -- i.e., whether there is a path over which the two systems can exchange a certain band-width of data. Connectivity testing does not measure "nondiscriminatory access . . . . beyond the interface component," in such critical areas as whether the system has the capacity to carry specified volumes of orders, whether certain types of orders will flow through BellSouth's legacy systems, or whether orders of a specified content will pass the edits in BellSouth's systems. See Ameritech Michigan Order, ¶ 135.

259. Similarly, the test summaries submitted by BellSouth's witness Milner show that the "end-to-end testing" conducted by BellSouth was purely internal testing that did not involve the interfaces offered to CLECs. The test summaries also show that the orders were manually inputted into BellSouth's ordering system and that the tests were considered "successful" if a service or element eventually was provisioned. The "tests" did not compare provision of the tested elements or services to that which BellSouth itself enjoys. Moreover, there is no indication that the second phase of the BellSouth test plan, which was supposed to test the electronic interfaces, was ever performed.[161]

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[161] See Affidavit of W. Keith Milner ("Milner Aff."), ¶¶ 5-8 & Exh. WKM-1. Indeed, the documents attached to Mr. Milner's affidavit indicate that a number of problems occurred in the testing even without involvement of the interfaces. See, e.g., id., Exh. WKM-1, Tab 29 (results of "end-to-end test" of Flexserv for resale state that "when service orders were tested in a production environment, several roadblocks were encountered"). Although the test results state that such roadblocks were addressed and resolved, they show that BellSouth's approach of testing single orders in a limited testing environment was insufficient.

260. Other available information confirms that BellSouth's testing of its interfaces has been inadequate, incomplete, or nonexistent. For example, just a few months ago BellSouth described state-specific testing of LENS in each of the nine states of its region as an "urgent" priority, and indicated that it "needed" such testing by October 15, 1997.[162] Only recently did BellSouth even attempt to conduct a study of the response times in its LENS pre-ordering system. The testing has been purely internal, and the methodology of the study was so flawed that BellSouth reneged on a previous commitment to produce the results of the study after it was advised by the Department of Justice that the methodology was unacceptable.[163]

261. More recently, Mr. Stacy submitted a comparison of LENS response times with RNS response times with his South Carolina Affidavit. See Stacy S.C. OSS Aff., ¶ 109 & Exh. WNS-37. By Mr. Stacy's admission, the measurements were compiled using different mechanisms and BellSouth was still "working to standardize the RNS and LENS data collection criteria and measurement." Id. Despite these admitted data deficiencies, Mr. Stacy had no hesitation in concluding that "the existing data demonstrate that BST is providing non-discriminatory access to BST's legacy systems." Id.

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[162] See Attachment 48 hereto, Late-Filed Exhibit No. 10 to Deposition of William R. Stacy, filed by BellSouth on August 14, 1997, in Docket No. 960786-TL (Fla. PSC), p. 3.

[163] See Testimony of William Stacy in Docket Nos. 6863-U and 7253-U, In re: Consideration of BellSouth Telecommunications, Inc.'s Entry Into InterLATA Services Pursuant to Section 271 of the Telecommunications Act of 1996, (Ga. PSC), transcript of July 16, 1997, proceedings, pp. 4039-4040, 4052-4054 (Attachment 49 hereto).

262. In his Louisiana affidavit, Mr. Stacy now asserts that "BellSouth has standardized the RNS and LENS data collection criteria and measurement," and he again proclaims that "BST is providing non-discriminatory access to BST's legacy systems." Stacy OSS Aff., ¶ 110 & Exh. WNS-37. However, the only details as to how BellSouth has "standardized" its data collection and measurement are a brief reference in Exhibit WNS-37 to "Navigator middleware routines" being used for measurement. As Mr. Pfau points out in his Affidavit, Mr. Stacy's data are inherently unreliable, given his failure to supply important details regarding the test methodologies. In addition, the LENS data reported by Mr. Stacy in Exhibit WNS-37 appears to be based on less than two weeks of measurement and differs substantially from the RNS data in terms of the number of days and calls used in the sample. Id., Stacy OSS Aff., Exh. WNS-37. In the absence of a full explanation of BellSouth's "standardized" methodology, the limited data provided by Mr. Stacy are no substitute for comprehensive testing. The data certainly do not support Mr. Stacy's claim of nondiscriminatory access.[164]

263. Aside from the current testing of the test file for billing provided by BellSouth (¶¶ 253-254, supra), the only current BellSouth interface that BellSouth and AT&T have jointly tested is the Phase I EDI interface for resale orders. See Stacy OSS Aff., ¶ 125.

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[164] Moreover, in September 1997, BellSouth submitted data on pre-ordering response times to the Florida Public Service Commission, which showed different results using a different methodology (and which showed that BellSouth experienced lower response times). See Attachment 26 hereto, Response of BellSouth to AT&T's First Set of Interrogatories in Docket No. 960786-TL (Fla. PSC), response to Item No. 32. This data further highlights the need for BellSouth to conduct comprehensive, verifiable testing.

However, that testing process has not been completed. The testing program consists of three sequential tests: (1) end-to-end testing; (2) service readiness testing ("SRT"); and (3) market readiness testing ("MRT").

264. The end-to-end testing stage of the Phase I EDI testing program involves transmitting and receiving an EDI order, but not actual provisioning of the order. In SRT, AT&T sends orders through the entire system, without billing the end users; however, AT&T is billed by BellSouth as part of the testing. The SRT is conducted in a controlled environment, where selected AT&T employees and business customers use a script to place an order, and only eight residential orders and eight business orders can be "in the system" at any given time.

265. MRT, although similar to SRT, is conducted on a larger scale and includes the billing of the end user by AT&T. In addition, whereas SRT is limited to a total of 100 residential and 100 business customers, MRT is open to all AT&T employees and selected business customers.

266. Testing of AT&T orders for business customers is still in the SRT stage. Although all three stages of the Phase I EDI testing program have been completed for residential orders, the testing has revealed substantial problems with the interface (such as errors in data mapping and coding philosophy), even in the controlled environment of SRT. While the problems encountered in SRT were generally corrected, the results of both the SRT and the MRT for residential service show that the interface is not yet operationally ready, as reflected in the above-

described data on ordering and provisioning.[165]

267. In contrast to the testing that BellSouth and AT&T have conducted of the Phase I EDI interface, it does not appear that any testing has been performed on the Phase II EDI interface -- which is intended to provide substantially greater ordering capabilities than Phase I. AT&T is not aware of any Phase II testing that BellSouth may have conducted with other carriers, nor is any such testing likely to occur.[166]

268. There is also no basis for Mr. Stacy's suggestion that BellSouth has sufficiently tested its interfaces for maintenance and repair. See Stacy OSS Aff., ¶ 130. BellSouth has previously acknowledged that it has conducted no testing with CLECs of the EBI interface, and that it has discarded the data that supports its alleged testing of TAFI.[167]

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[165] Notwithstanding its value, the SRT experience also demonstrated BellSouth's unwillingness to share testing data. As Mr. Stacy has previously acknowledged, the only performance data that BellSouth provided to AT&T regarding the SRT was an order-by-order listing showing the correctness or deficiencies of each order submitted by AT&T. BellSouth would not provide AT&T with other information, such as the amount of time that BellSouth required to process the orders. See Testimony of William Stacy in Docket No. 97-101-C (South Carolina PSC), transcript of July 8, 1997 proceeding, pp. 58-59.

[166] Because of the constant changes in the Phase II EDI specifications by BellSouth, the commencement of testing of the permanent EDI interfaces, and the forthcoming implementation of the permanent EDI interface, AT&T elected not to test the Phase II interim EDI interface. Although other CLECs have expressed interest in the Phase II interface, it does not appear that any of them is in a position to test (much less use) that interface, given the numerous unilateral changes made by BellSouth.

[167] See Attachment 26 hereto, BellSouth's Response to AT&T's First Set of Interrogatories in Docket No. 960786-TL (Fla. PSC), response to Item No. 10 (c), (e) (EBI was "not tested for CLECs. There is no test data for CLECs using the EBI, because the EBI was built for and used

269. Similarly, Messrs. Stacy and Hollett offer no basis for their contention that BellSouth has conducted testing of its daily billage usage file. Stacy OSS Aff., ¶ 131; Hollett Aff., ¶ 19. Without actual evidence that BellSouth has performed the testing it claims, with the results that it describes, its claims of testing are not meaningful.

V. BELLSOUTH HAS NOT ESTABLISHED THAT IT HAS ADEQUATE CAPACITY TO MEET CLEC REQUIREMENTS.

270. In addition to failing to show that it has made available nondiscriminatory, operationally ready interfaces for all OSS functions for all resale services and unbundled network elements, BellSouth has failed to show that the OSS interfaces and other access procedures which it proposes will have adequate capacity to handle the volume of CLEC orders and other service requests that can reasonably be expected to occur as local markets become competitive. Aside from offering unsubstantiated capacity figures for some of its interfaces, BellSouth's discussion of the capacity issue amounts to an assertion that BellSouth can be trusted to meet the requirements of the CLECs. That is insufficient.

271. Adequate load carrying capacity is an essential component of establishing the operational readiness of BellSouth's proposed interfaces and related OSS access

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by IXCs"), and attachment thereto entitled "CLEC TAFI Testing," p. 3 ("Once the test results indicated that the CLEC version of TAFI operated as expected, there was no need to retain the raw data"). BellSouth's OSS witness in the Kentucky § 271 proceeding said that she did not even know whether BellSouth conducted any carrier-to-carrier testing of TAFI. See Attachment 51, Kentucky Section 271 transcript, p. 207 (Testimony of Gloria Calhoun).

procedures.[168] An interface or service order processing procedure that operates satisfactorily at low volumes but "chokes" the processing flow for CLEC service orders at actual market volumes will place BellSouth's competitors and their customers at a severe disadvantage.

272. The Commission recognized in the Ameritech Michigan Order that the ability of a BOC to have sufficient capacity, and to handle an increasing volume of orders, "will be a critical component in order for competition to develop in the . . . local exchange market." Ameritech Michigan Order, ¶ 191. Thus, a BOC must show that its systems are designed to accommodate both current and projected demand, are actually handling current demand, and will be able to handle reasonably forecasted demand, both for resale and for UNEs, at an acceptable level of quality. Id., ¶¶ 110, 137-138, 161, 191, 199.

273. Thus, BellSouth cannot demonstrate that it has adequate capacity simply by asserting that its interfaces have operated satisfactorily at volumes currently or previously submitted by the CLECs. As my testimony and the Affidavits of AT&T's other witnesses demonstrate, BellSouth has delayed CLECs, including AT&T, from entering the local exchange market by refusing to comply with its obligations under the 1996 Act (including the obligation to provide nondiscriminatory access to its OSS). The fact that BellSouth has been able to process the relatively small handful of orders and transactions that CLECs have managed to submit despite BellSouth's refusal to open its markets is therefore no indication of its ability to handle the

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[168] See DOJ South Carolina Evaluation, p. A-27 ("System capacity is a critical component of operational readiness").

vastly greater volumes that can reasonably be expected in the future, if and when the market is in fact open to competition.[169]

274. In addition, adequate capacity cannot be demonstrated merely by showing that an interface has the capacity to handle an aggregate total of orders or transactions. The interface must also have the capability of processing orders simultaneously from all of the CLECs, up to that aggregate capacity, promptly and efficiently. For example, even if BellSouth's resale ordering interfaces have a combined capacity of 10,000 orders per day from a single CLEC, the interfaces nonetheless lack adequate capacity if they cannot handle hundreds or thousands of orders from a number of CLECs at the same time.

275. Finally, adequate capacity cannot be demonstrated by internal testing. BellSouth must demonstrate on the basis of actual commercial usage and robust inter-carrier testing that its systems will process orders at the claimed capacity levels simultaneously for the number of CLECs expected to submit orders and transactions.

276. Capacity should be evaluated by analogy to the long-distance market, where currently more than 50 million customers nationwide change carriers every year. Similar turnover can be expected in local services markets if and when the incumbents open those markets. In evaluating BellSouth's application for Section 271 authority for South Carolina, the Department

[169] For example, although AT&T has submitted no more than 3,000 orders per week to BellSouth in recent months, AT&T expects that it will be submitting 3,000 orders per day to BellSouth when it is able to enter the local exchange market throughout the BellSouth region.

of Justice relied on this fact in concluding that BellSouth's systems lack adequate capacity. Citing the nearly 23 million access lines in the BellSouth region and using the primary interexchange carrier ("PIC") change measure that this Commission described in the Ameritech Michigan Order, the Department estimated that there are about 17,000 PIC changes per business day in BellSouth's region. Based on consumer surveys predicting that 20 percent of consumers would change (and an additional 17 percent of customers would consider changing) local carriers, the Department found that "one could estimate from this an average of roughly 18,000 to 33,600 lines per business day changing region-wide."[170] Moreover the Department noted that in a competitive environment, "BellSouth will experience far greater order volumes" than the 4,000 additional lines per business day that it is presently experiencing.[171] For these reasons, the Department concluded that "BellSouth's systems presently have limited capacity and have not been proven effective for handling large, competitively significant volumes of demand."[172]

277. In response to the Department's concerns, BellSouth has doubled its capacity -- by changing its assumptions. Even with the purported increase in capacity, however, BellSouth has not shown that it has sufficient capacity, as a review of its gateway and interfaces demonstrates.

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[170] See DOJ South Carolina Evaluation, pp. A-29 - A-30, citing Ameritech Michigan Order, ¶ 191 n.494.

[171] Id., pp. A-29 - A-30.

[172] Id., p. A-27.

A. LEO, LESOG, and SOCS

278. The editing and formatting systems on BellSouth's side of the OSS -- LEO, LESOG, and SOCS[173] -- obviously must have sufficient capacity if CLEC transactions are to flow smoothly through the system. If they lack such capacity, they will act as a bottleneck, impeding CLEC access.

279. Mr. Stacy, however, has provided no information regarding the capacity of SOCS. One of his exhibits describes the capacity of LEO and LESOG as 10,000 orders per day each, and he states that "hot spare" arrangements are in place that could double the capacity. Stacy OSS Aff., ¶ 122 & Exh. WNS-43. This capacity, however, constitutes an average of little more than 1,000 orders per day for each of the nine states in the BellSouth region -- an insufficient number to support meaningful competition in a multi-CLEC market.

280. In addition, only last May, BellSouth's own outside consultants found that LESOG and SOCS, as well as LENS, have computer programming problems that impact the stability of volume testing, and that the "LESOG host capacity [should] be improved." See id., Exh. WNS-42, pp. 40, 52. In view of this finding, and Mr. Stacy's incomplete and unsupported data, LEO, LESOG, and SOCS cannot be assumed to have sufficient capacity.

B. Pre-Ordering Interfaces

281. Mr. Stacy provides absolutely no detail or data regarding the capacity of

[173] BellSouth's Local Exchange Ordering System, Local Exchange Service Order Generator, and Service Order Control System, respectively.

LENS as a pre-ordering interface. Mr. Stacy states only that LENS "was designed to support multiple pre-ordering transactions for the expected daily combined volume of CLEC orders." Stacy OSS Aff., ¶ 123. This completely fails to address the central question of the total number of pre-ordering transactions that LENS can handle on an hourly basis. Mr. Stacy's conclusory assertions are further called into question by his doubling of BellSouth's ordering capacity, from 5,000 orders per day in late September to "at least 10,000 local service requests per day" in early November. Stacy OSS Aff., ¶ 120. As an initial matter, because each order typically is associated with multiple pre-ordering transactions, a doubling in order volume is likely to increase significantly the number of pre-ordering inquiries. BellSouth's OSS witness in the South Carolina Section 271 state proceeding "assumed" three pre-ordering transactions per order, but BellSouth has presented no basis for this assumption.[174] The pre-ordering process consists of five possible transactions. Although the actual number of such transactions will vary from order to order, in many cases a CLEC may engage in all five transactions for a particular order -- or more, if the CLEC needs to retrieve multiple due dates or telephone numbers to satisfy a customer's preference. The forecasts provided by AT&T to BellSouth assumed that, on average, there would be eight pre-ordering inquiries per order.[175]

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[174] See Testimony of Gloria Calhoun in Docket No. 97-101-C (South Carolina PSC), transcript of July 7, 1997, proceedings, p. 68 (Attachment 16 hereto).

[175] "Estimated AT&T Order and Inquiry Volumes," dated August 21, 1996 (Attachment 52 hereto), which was provided to BellSouth by AT&T.